

COUNCIL POLICY

CURRENT

SUBJECT: THE CITY OF SAN DIEGO HEALTH FACILITY REVENUE BOND LAW:
REQUIREMENT OF INSURANCE UNDER MUNICIPAL CODE SECTION
47.0205
POLICY NO.: 900-05
EFFECTIVE DATE: January 21, 1980

BACKGROUND:

The City of San Diego on November 13, 1979 adopted Ordinance O-15074 (New Series), adding to the Municipal Code commencing with Section 47.0101, The City of San Diego Health Facility Revenue Bond Law providing for a procedure for the authorization, sale and issuance of revenue bonds by the City for the purpose of providing financing to health institutions for the cost of acquiring, constructing, rehabilitating or improving a health facility. Section 47.0205 of the Municipal Code permits the Council to obtain insurance or a guarantee for the repayment of any bonds that might be issued.

PURPOSE:

To establish a guideline as to the circumstances under which insurance or a guarantee shall be required.

POLICY:

Hospitals seeking action by the Council leading to the issuance of revenue bonds under The City of San Diego Health Facility Revenue Bond Law shall provide at no expense to the City insurance or other guarantee for the repayment of any bonds issued unless such bonds receive a rating by Moody's Investors, Inc. or Standard & Poor's Corporation of "A" or better.

HISTORY:

Adopted by Resolution R-251020 01/21/1980